

SACRAMENTO COUNTY ECONOMIC FORECAST

Sacramento County is home to the California State Capitol. Sacramento County has a population of 1.5 million people and approximately 600,500 wage and salary jobs. The per capita income is \$45,517 and the average salary per worker is \$73,591. Because it contains the state capitol, the Sacramento County economy is highly influenced by the public sector, with government jobs comprising more than 27 percent of total wage and salary employment.

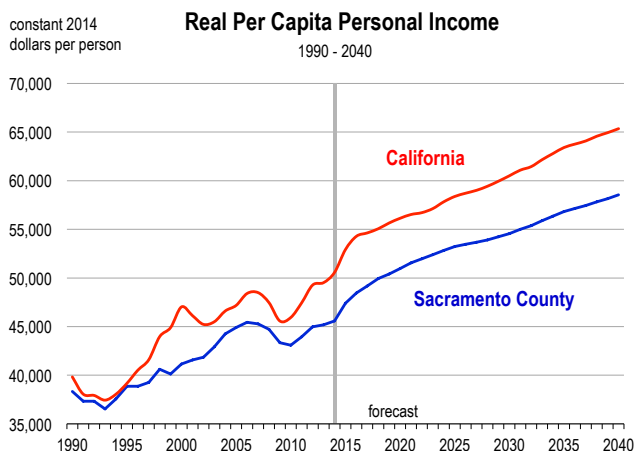
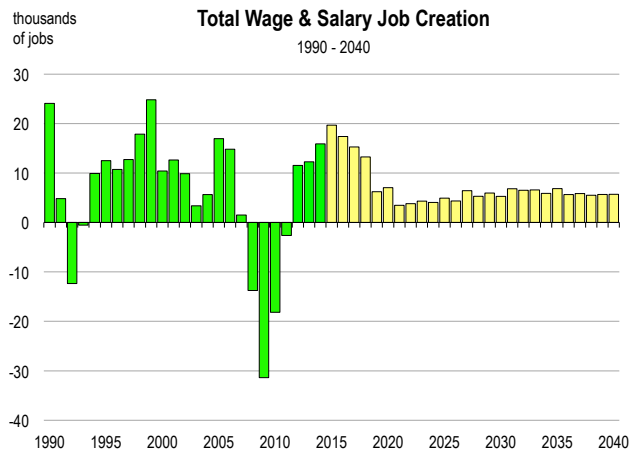
Employment across Northern California increased by 3.4 percent in 2014, whereas employment in the Sacramento Valley (consisting of Sacramento, Yolo, Placer, El Dorado, Yuba and Sutter counties) increased by 2.7 percent. In Sacramento County, 15,900 wage and salary jobs were created, representing a growth rate of 2.7 percent. The unemployment rate improved substantially, falling from 8.9 percent in 2013 to 7.3 percent in 2014.

During 2014, most sectors were characterized by positive job growth. The largest gains were observed in education and healthcare (+4,500 jobs), professional and business services (+3,400 jobs), and government (+3,400 jobs). The only major sectors with losses were information (-790 jobs) and financial activities (-450 jobs).

From 2009-2014, the population of Sacramento County grew at an annual average rate of 0.7 percent. This is a slowdown from the rates that prevailed during the previous decade, and is largely the result of lower net migration. Between 2009 and 2014, the county lost an average of 440 net migrants per year.

FORECAST HIGHLIGHTS

- In 2015, total employment is expected to increase by 3.3 percent. From 2015 to 2020, job growth is expected to average 1.8 percent per year.
- Average salaries are above the California state average, and are expected to remain so over the next few years. In Sacramento County, inflation-adjusted salaries will rise by an average of 0.7 percent per year from 2015 to 2020.
- Between 2015 and 2020, employment growth will be greatest in professional and business services (+11,800 jobs), education and healthcare (+11,300 jobs), construction (+9,200 jobs), and government (+8,200 jobs). Together, these industries will account for 69 percent of net job growth in the county.
- Population growth will be relatively rapid over the next 5 years. Annual growth in the 2015-2020 period will average 1.2 percent per year.
- Between 2015 and 2020, an average of 9,600 net migrants will enter the county each year.

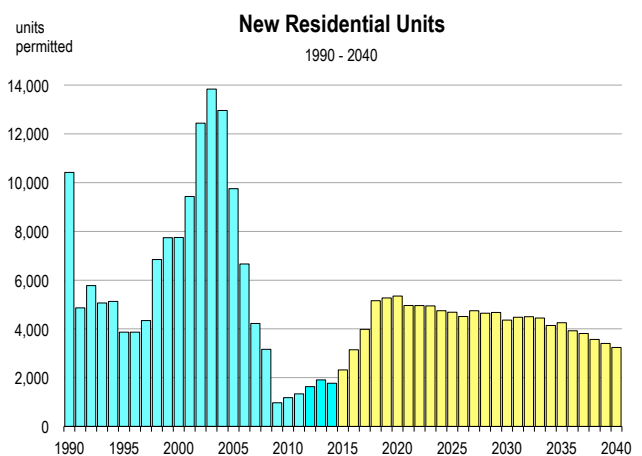
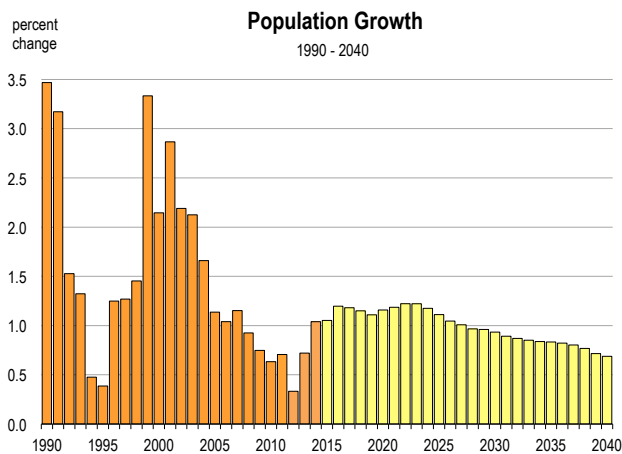


- Over the 2015-2020 period, an average of 4,200 housing permits will be issued each year. There are a number of large-scale development projects in the region. The most prevalent activity will occur in the area north of Elk Grove and east of Florin, which could see more than 30,000 new homes within the next few decades.
- Real per capita income is forecasted to rise by 4.0 percent in 2015. Between 2015 and 2020, growth will average 1.5 percent per year.
- Total taxable sales, adjusted for inflation, are expected to rise by 1.1 percent per year from 2015 to 2020.
- Industrial production is expected to rise by 4.7 percent in 2015. Between 2015 and 2020, industrial production is forecasted to rise by an average of 3.5 percent per year.

Sacramento County Economic Forecast

2006-2014 History, 2015-2040 Forecast

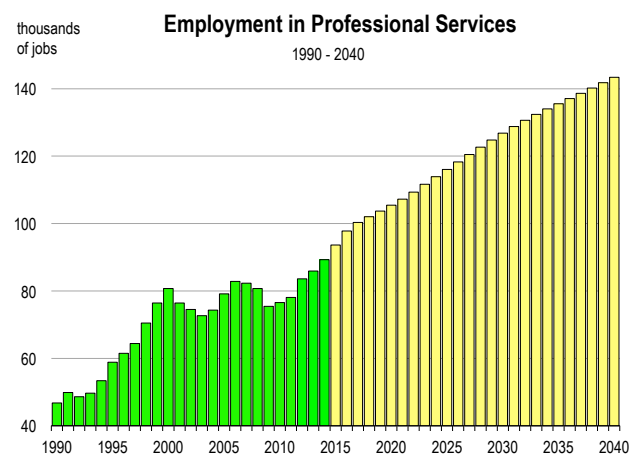
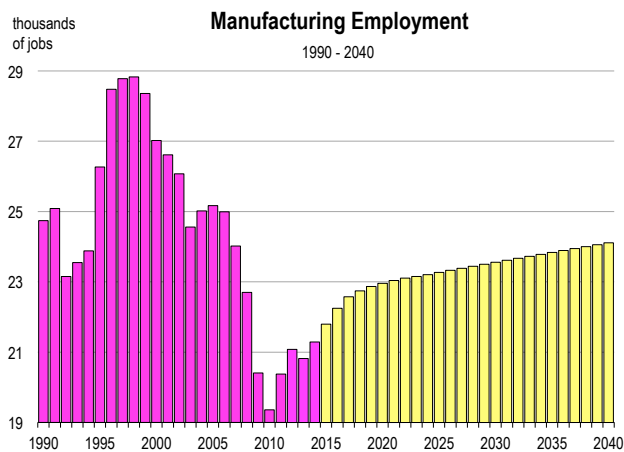
	Population (people)	Net Migration (people)	Registered Vehicles (millions)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2006	1,372,275	2,675	1.17	501.0	6,663	\$21.1	\$51.7	\$45,436	3.2	370.0	6.4	4.8
2007	1,388,086	3,670	1.17	507.9	4,223	\$20.6	\$53.9	\$45,285	3.4	425.3	6.4	5.4
2008	1,400,939	645	1.16	512.0	3,164	\$19.3	\$55.3	\$44,715	2.9	405.7	6.5	7.2
2009	1,411,403	-772	1.16	513.6	973	\$16.6	\$54.5	\$43,348	0.8	393.6	6.1	11.4
2010	1,420,331	-1,719	1.16	514.0	1,181	\$16.9	\$55.2	\$43,086	1.3	412.6	5.8	12.6
2011	1,430,360	65	1.14	514.9	1,332	\$18.0	\$58.2	\$43,959	2.7	437.4	5.9	12.1
2012	1,435,118	-4,259	1.14	516.0	1,633	\$19.1	\$61.4	\$44,972	2.7	484.4	6.2	10.5
2013	1,445,457	1,424	1.18	517.5	1,909	\$20.1	\$63.5	\$45,190	2.3	470.4	6.2	8.9
2014	1,460,480	6,707	1.21	519.1	1,772	\$21.0	\$66.6	\$45,571	2.8	471.1	6.4	7.3
2015	1,475,848	7,276	1.23	521.2	2,318	\$22.4	\$70.8	\$47,399	1.2	474.2	6.7	6.4
2016	1,493,512	9,631	1.24	523.3	3,144	\$23.6	\$75.5	\$48,444	3.2	474.5	7.0	5.4
2017	1,511,150	9,634	1.26	526.3	3,982	\$24.6	\$80.1	\$49,183	3.2	470.5	7.2	5.1
2018	1,528,522	9,454	1.28	530.0	5,157	\$25.6	\$84.8	\$49,945	3.0	465.1	7.5	5.1
2019	1,545,474	9,054	1.28	534.9	5,270	\$26.5	\$89.0	\$50,421	2.8	462.1	7.7	5.1
2020	1,563,373	10,041	1.29	539.8	5,348	\$27.5	\$93.6	\$50,960	2.9	462.0	8.0	5.0
2021	1,581,910	10,742	1.30	544.8	4,961	\$28.4	\$98.8	\$51,560	3.0	461.5	8.2	5.1
2022	1,601,241	11,513	1.31	549.5	4,957	\$29.3	\$103.9	\$51,967	3.1	461.1	8.5	4.9
2023	1,620,801	11,714	1.31	554.1	4,944	\$30.2	\$108.9	\$52,391	2.7	460.7	8.8	4.9
2024	1,639,846	11,256	1.32	558.8	4,746	\$31.3	\$113.9	\$52,843	2.6	460.3	9.1	4.9
2025	1,658,071	10,549	1.32	563.2	4,684	\$32.4	\$119.3	\$53,243	2.8	460.0	9.3	5.0
2026	1,675,410	9,804	1.33	567.6	4,510	\$33.5	\$124.5	\$53,456	2.8	459.7	9.6	5.1
2027	1,692,295	9,536	1.34	571.9	4,745	\$34.8	\$129.8	\$53,681	2.8	459.4	9.9	5.1
2028	1,708,648	9,247	1.35	576.3	4,644	\$36.1	\$135.2	\$53,917	2.7	459.1	10.3	5.1
2029	1,725,061	9,455	1.35	580.7	4,675	\$37.5	\$140.7	\$54,239	2.5	458.8	10.6	5.1
2030	1,741,166	9,371	1.36	585.1	4,362	\$39.0	\$146.2	\$54,567	2.4	458.5	11.0	5.0
2031	1,756,695	8,943	1.37	589.1	4,478	\$40.8	\$152.1	\$55,003	2.3	458.2	11.4	5.0
2032	1,771,971	8,880	1.39	593.3	4,500	\$42.6	\$158.3	\$55,378	2.5	457.9	11.8	5.0
2033	1,787,055	8,794	1.40	597.6	4,446	\$44.5	\$164.5	\$55,893	2.1	457.7	12.2	5.0
2034	1,802,024	8,821	1.41	601.7	4,141	\$46.3	\$171.0	\$56,350	2.3	457.4	12.6	5.0
2035	1,817,039	9,008	1.41	605.6	4,254	\$48.2	\$178.0	\$56,828	2.4	457.1	13.1	4.9
2036	1,831,972	9,007	1.42	609.6	3,923	\$50.1	\$185.4	\$57,146	2.8	456.8	13.5	4.9
2037	1,846,680	8,939	1.43	613.3	3,812	\$52.1	\$193.3	\$57,451	2.8	456.5	14.0	4.9
2038	1,860,861	8,524	1.44	616.9	3,569	\$54.0	\$201.2	\$57,815	2.7	456.2	14.5	4.9
2039	1,874,173	7,842	1.45	620.2	3,404	\$56.0	\$209.7	\$58,158	2.8	455.9	15.0	5.0
2040	1,887,064	7,544	1.46	623.4	3,240	\$58.0	\$218.3	\$58,541	2.8	455.6	15.6	5.0

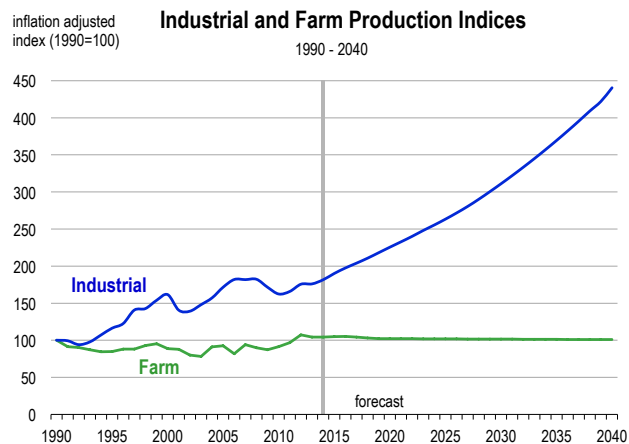
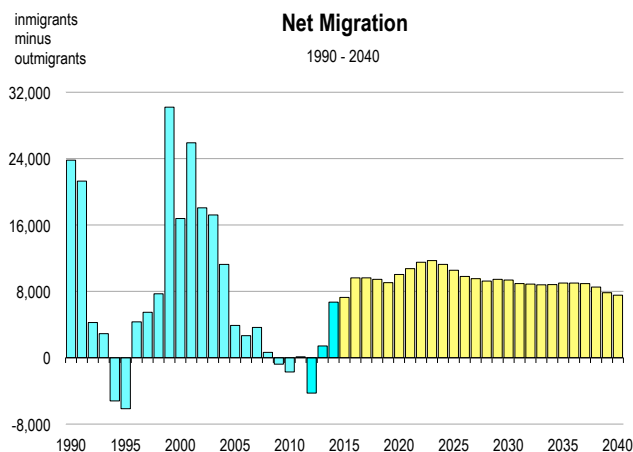
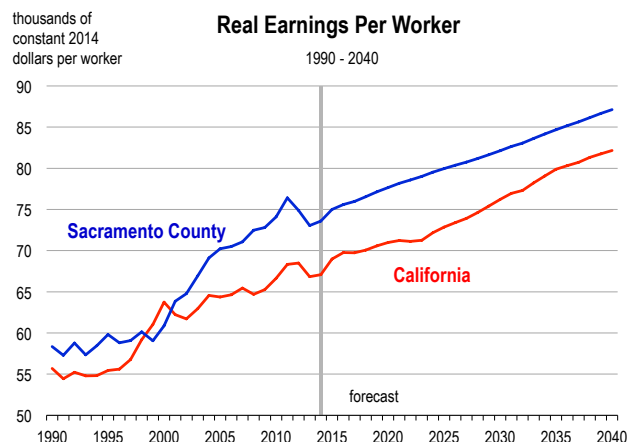
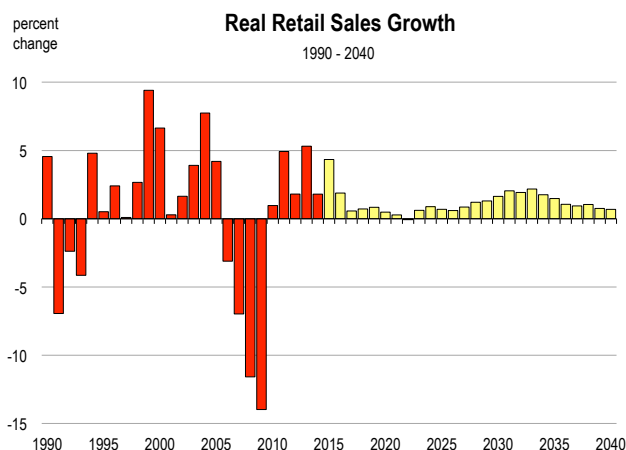


Sacramento County Employment Forecast

2006-2014 History, 2015-2040 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	employment (thousands of jobs)											
2006	625.3	2.70	43.7	25.0	12.9	84.5	45.6	82.8	15.3	76.9	52.3	163.1
2007	626.7	2.92	41.0	24.0	13.6	81.7	42.5	82.3	15.5	80.1	53.3	169.1
2008	613.0	2.72	34.4	22.7	13.7	76.4	39.6	80.7	15.0	82.8	52.6	171.5
2009	581.6	2.74	26.9	20.4	12.8	69.9	36.0	75.4	14.2	83.6	50.3	168.8
2010	563.4	2.57	23.5	19.4	11.9	69.7	32.0	76.6	13.2	81.6	48.5	164.3
2011	560.8	2.47	22.6	20.4	11.5	71.2	30.5	78.1	12.6	82.3	49.5	159.9
2012	572.3	2.61	23.6	21.1	12.2	74.1	31.2	83.6	11.8	84.8	51.3	156.4
2013	584.6	2.59	27.0	20.8	13.0	74.7	31.5	85.9	11.3	88.7	53.2	156.2
2014	600.5	2.68	28.3	21.3	13.2	75.6	31.1	89.3	10.5	93.2	55.2	159.5
2015	620.1	2.70	28.9	21.8	13.6	76.9	31.2	93.6	10.6	97.6	58.3	163.4
2016	637.5	2.70	30.9	22.2	14.0	78.2	31.7	97.8	10.8	100.2	60.7	165.9
2017	652.8	2.68	34.0	22.6	14.3	79.1	32.1	100.3	11.0	102.1	62.7	168.8
2018	666.0	2.64	37.4	22.7	14.5	79.8	32.9	102.0	11.2	104.5	63.9	170.6
2019	672.2	2.62	36.8	22.9	14.7	80.4	33.0	103.7	11.3	106.8	64.6	171.3
2020	679.3	2.62	38.1	23.0	14.9	80.7	33.3	105.4	11.4	108.9	65.0	171.7
2021	682.7	2.62	37.0	23.0	15.1	80.9	33.3	107.2	11.6	111.1	65.1	171.2
2022	686.5	2.62	36.0	23.1	15.3	81.0	33.5	109.3	11.6	113.2	65.2	170.6
2023	690.8	2.61	35.2	23.2	15.5	81.2	33.7	111.7	11.7	115.3	65.2	170.1
2024	694.9	2.61	34.5	23.2	15.7	81.6	33.7	113.9	11.8	116.9	65.3	169.8
2025	699.8	2.61	34.4	23.3	15.9	81.8	33.8	116.1	11.9	118.4	65.4	169.8
2026	704.1	2.61	33.7	23.3	16.1	82.1	33.9	118.3	12.0	119.9	65.6	169.9
2027	710.6	2.61	34.8	23.4	16.3	82.4	34.2	120.5	12.1	121.4	65.9	170.1
2028	715.8	2.60	34.7	23.4	16.5	82.8	34.2	122.7	12.2	122.9	66.3	170.2
2029	721.8	2.60	34.7	23.5	16.7	83.2	34.3	124.8	12.3	124.7	66.8	170.6
2030	727.1	2.60	33.9	23.6	16.9	83.6	34.1	126.8	12.4	126.6	67.3	171.2
2031	733.9	2.60	34.2	23.6	17.1	84.1	34.3	128.8	12.5	128.6	67.9	171.9
2032	740.4	2.60	34.2	23.7	17.3	84.6	34.3	130.6	12.7	130.6	68.5	172.6
2033	747.0	2.59	34.2	23.7	17.5	85.1	34.3	132.4	12.8	132.8	69.0	173.4
2034	752.8	2.59	33.7	23.8	17.7	85.6	34.3	134.0	12.9	135.0	69.6	174.2
2035	759.7	2.59	33.8	23.8	17.9	85.9	34.6	135.5	13.0	137.3	70.2	175.2
2036	765.3	2.59	33.2	23.9	18.1	86.3	34.5	137.1	13.1	139.6	70.8	175.8
2037	771.2	2.59	33.0	23.9	18.3	86.6	34.6	138.6	13.2	142.1	71.4	176.2
2038	776.6	2.58	32.5	24.0	18.5	86.9	34.6	140.2	13.3	144.6	72.0	176.5
2039	782.3	2.58	32.1	24.1	18.7	87.1	34.7	141.8	13.4	147.1	72.6	176.7
2040	788.0	2.58	31.7	24.1	18.9	87.4	34.7	143.4	13.5	149.7	73.2	177.0





County Economic and Demographic Indicators

Projected Economic Growth (2015-2020)

Expected retail sales growth:	4.6%
Expected job growth:	9.5%
Fastest growing jobs sector:	Construction
Expected personal income growth:	13.4%

Expected population growth:	5.9%
Net migration to account for:	54.6%
Expected growth in number of vehicles:	5.4%

Demographics (2015)

Unemployment rate (March 2015):	6.0%
County rank* in California (58 counties):	19th
Working age (16-64) population:	65.46%

Population with B.A. or higher:	27.76%
Median home selling price (2014):	\$255,000
Median household income:	\$53,877

Quality of Life

Violent crime rate (2013):	517 per 100,000 persons
County rank* in California (58 counties):	45th
Average commute time to work (2015):	27.7 minutes

High school drop out rate (2014):	12.2%
Households at/below poverty line (2015):	14.4%

* The county ranked 1st corresponds to the lowest rate in California